

May 27, 2008

An Open Letter to the United States House of Representatives: Support a Spending Limit Constitutional Amendment

Dear Representative:

On behalf of the 362,000 members of the National Taxpayers Union (NTU), I urge you to cosponsor H. J. Res. 81. This constitutional amendment would put a limit on federal spending expansion by prohibiting outlays from increasing faster than the rate of growth in America's economy.

The remedies in H. J. Res. 81 are particularly timely, given the recent debate over the 2009 budget resolution. As presented to Congress, the plan authorizes another \$21 billion in spending beyond the President's more-than-adequate budget request, as well as shatters the \$1 trillion mark in annual discretionary outlays. To pay for this, the budget would raise taxes on Americans by at least \$683 billion over the next five years. This isn't the fiscally responsible leadership our country deserves.

The need for a spending limit is clear. Even if mandatory and discretionary spending were to go on "auto-pilot" – that is, if no new programs were piled onto current commitments – it is estimated that taxes would need to *double* by 2040 to pay for it all. Members of Congress can address this situation by supporting H. J. Res. 81, which would have the practical effect of limiting federal spending to no more than 20 percent of gross domestic product. A two-thirds vote by Congress would be necessary to approve expenditures beyond the spending limit, but outlays designated to pay down our national debt would be exempted from the cap.

The concepts behind H. J. Res. 81 are hardly radical. Roughly two dozen states limit all or part of their budget increases to economic measurements such as inflation or personal income growth. Putting a limit on federal government spending will help avoid major upswings in outlays and taxes that could wreak havoc on household budgets and the economy at large.

NTU has been a leader in the fight to pass the Tax Limitation Amendment and the Balanced Budget Amendment, and we believe the Spending Limit Amendment is an important tool in the continuing efforts to battle over-taxing, over-borrowing, and over-spending. We urge the House to move forward with H. J. Res. 81 and help secure a brighter fiscal future for America.

Sincerely,

Kristina Rasmussen

Director of Government Affairs

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